

# Heat Pump Financing

Heat Pump Financing is available to all Alcoa Electric residential customers through the TVA *energy right* program. This program allows you to avoid paying one large sum for a brand new heating and air unit and pay back the loan each month on your electric bill.

## How It Works

If approved, you can contact any of the listed Quality Contractors to install your heating and air unit. The Quality Contractors have met certain requirements set forth by TVA to be a part of this program – you must use one of the listed Quality Contractors to participate. The list of contractors is provided below.

In conjunction with the heat pump, weatherization work, such as attic insulation, floor insulation and storm windows can be financed along with electronic air cleaners and electrical upgrades. Shop for a heat pump as you would for any other appliance – typically it is good business practice to get more than one quote/estimate.

- Heat Pump Guidelines: SEER 13.0 or greater = Package/Split systems
- Maximum Loan: \$7,500.00 for 1 unit; \$10,000.00 for 2 units
- Interest Rate: 8% (fixed rate)
- Max. Repayment Period: Ten (10) years billed back on your electric bill

With the easy repayment plan of the loan, the payments are simply added to your current electric bill. For example, if your new heat pump costs \$5,000 and is financed at 8%, then \$60.66 will be your monthly payment and will be billed in addition to your current electric bill. And, there's no down payment and no penalty for early pay-off of the loan.

## How To Participate

There are three requirements in order to participate:

- You must have a good credit score

- You must be the sole owner of your property (if you own a mobile home, you must own the land the home sits on)
- You must have a good payment history with Alcoa Electric

Completing the application is the first step in the process, and all you need to do is fill in the highlighted areas within the enclosed application.

Additionally, if you are eligible for the financing, the next step to participate is to pay a \$55.00 non-refundable security filing fee and sign an Agreement to participate along with a copy of your driver's license. The filing fee is used to file a UCC, or lien, on the heat pump that arises during a title search if ever you refinance or sell your home, for example.

### **Quality Contractor Network**

The contractors on the list below are members of the TVA *energy right* Quality Contractor Network and have agreed to install heat pumps to meet the *energy right* standards. The contractor's work is not warranted or guaranteed by TVA or Alcoa Electric Department. Here are a few tips to help you select your heat pump contractor:

- With the energy right financing, a TVA inspection is required after all work has been completed by the contractor.
- For customers who do not use our financing, you can still request a TVA inspection at no cost after the heat pump is installed.
- Shop for a heat pump as you would for any other appliance – typically it is a good idea to get more than one bid. Ask for quotes to be in writing.
- Compare heat pump features, efficiency levels and warranties.
- Ask the contractor for references.

[Quality Contractor List, Updated 10.2007](#)

Is your company interested in becoming a member of the Quality Contractor Network? Visit [www.energyrightpartners.com](http://www.energyrightpartners.com) for more information today!

### **Application**

Completing the application is the first step in the process, and all you need to do is fill in the highlighted areas in the Microsoft Word document below.

### [Heat Pump Loan Application](#)

Once you've completed the application, you can choose one of four options to return it to the Marketing Department:

**Email:** [aslater@cityofalcoa-tn.gov](mailto:aslater@cityofalcoa-tn.gov)

**Fax:** (865) 380-4723

**Mail:** City of Alcoa, Attn:  
Marketing Representative, 223 Associates Blvd., Alcoa, TN 37701

**In-Person:** [City of Alcoa Municipal Building](#) (located in the Springbrook Corporate Center across from the Blount Memorial Wellness Center), 223 Associates Blvd., Alcoa, TN 37701

If you have any further questions, please call the [Marketing Representative](#) at (865) 380-4766. Alcoa Electric also encourages you to check out the TVA *energy right*® website at [www.energyright.com](http://www.energyright.com) for further information on the Heat Pump Program and other *energy right* programs.